

COMPANY NUMBER 2786099
CHARITY NUMBER 1024148

THE MARY WARD LEGAL CENTRE
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2015

THE MARY WARD LEGAL CENTRE
GENERAL INFORMATION

DIRECTORS AND TRUSTEES

F Bates (appointed March 2015)
M Brewster (appointed May 2015)
H Carty (appointed March 2014)
P Clyne (appointed February 2011)
J Edwards (appointed July 2013)
D Good (Chair, appointed October 2012)
A Hill (appointed (March 2015)
A Horsup (appointed March 2014)
N Kar (appointed March 2015)
J Lee (appointed October 2012)
R Nadarajan (appointed July 2013)
I Payne (appointed February 2013)
A Peck (appointed March 2014)
M Shah (Treasurer, appointed October 2012)
K Watters (appointed March 2015)

J Chamberlain (resigned March 2015)
S Dowd (resigned March 2015)
C Millington (resigned March 2015)
J Monk (resigned March 2015)

SECRETARY

S Jackson

COMPANY NUMBER

2786099

CHARITY NUMBER

1024148

ADDRESS

10 Great Turnstile
London
WC1V 7JU

REGISTERED OFFICE

42 Queen Square
London
WC1N 3JZ

AUDITOR

Buzzacott LLP
130 Wood Street
London
EC2V 6DL

BANKERS

The Co-operative Bank plc
3rd Floor, St Paul's House
10 Warwick Lane
London
EC4M 7BP

CHIEF EXECUTIVE

S Jackson

DIRECTOR

P Twigg

**THE MARY WARD LEGAL CENTRE
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2015**

The directors of the company, who are also the trustees of the charity, present their report and the financial statements for the year ended 31 July 2015. This report also represents the trustees' report as required by Part 8 of the Charities Act 2011.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Mary Ward Legal Centre (the Centre) is a company limited by guarantee, is registered as a charity under registration number 1024148 and is governed by its Memorandum of Association dated 25 January 1993. The Centre is owned by the Mary Ward Settlement, a company limited by guarantee and a registered charity.

The Centre has its own Board. However all Board members are members of the Settlement Board, and it is the Settlement's Board that effectively governs the whole organisation, including the Legal Centre, and which meets regularly to provide leadership and strategic direction. Sub-committees of the Settlement Board meet as necessary to manage key staffing, finance, fundraising and equal opportunities matters within a clear framework.

Day-to-day operational management of the Centre is delegated to the Chief Executive who is supported by a small management team primarily consisting of the Director of the Legal Centre and the Head of Finance and Resources.

The Chief Executive and her management group oversee the smooth running of the Centre's staff who are divided into teams in accordance with Centre activities and projects.

METHOD OF APPOINTMENT OF DIRECTORS

The Centre operates selection criteria for recruitment of trustees to the Board so as to ensure that their skills and experience reflect the governance and operational needs of the Centre. Prospective trustees are interviewed by the Mary Ward Settlement Nominations Committee, which includes at least one trustee from the Mary Ward Legal Centre. On selection, references will be taken up as to their suitability to be a trustee prior to a vote by the Mary Ward Legal Centre trustees.

RELATIONSHIP WITH OTHER ORGANISATIONS WITH WHICH THE CENTRE CO-OPERATES IN THE PURSUIT OF CHARITABLE OBJECTIVES

The Centre has built up strong positive relationships over many years with a range of agencies in both the public, private and charity sector. The Centre continues its outreach activities and the delivery of face-to-face legal advice to financially and socially excluded communities within London boroughs. As such, the Centre enjoys good co-operative working relations with an ever-growing number of partners and stakeholders in relation to a range of borough-based projects and activities that meet core charitable objectives.

INTERNAL CONTROLS AND MITIGATION OF MAJOR RISKS

The Board is risk aware, has an established risk management policy, and carries out regular risk identification exercises including reviews by the Board of major risks and the adequacy of the systems in place to mitigate them.

PRINCIPAL ACTIVITIES AND OBJECTIVES

The principal object of the Centre is to provide members of the public in conditions of need, hardship or distress with advice, information, assistance and representation dealing with the question of housing, welfare rights, employment, immigration, taxation, insolvency and bankruptcy and other financial and legal problems.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Legal Centre's aims and objectives and in planning future activities.

THE MARY WARD LEGAL CENTRE
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2015

PRINCIPAL ACTIVITIES AND OBJECTIVES (CONTINUED)

The Legal Centre's portfolio of service activities include:

- provision of free specialist legal advice, casework and legal representation services in the following areas of social welfare law: debt, housing and welfare benefits;
- work with local communities to address financial inclusion issues and enable local people to manage their money; and
- provision of general legal advice to Londoners through evening advice clinics staffed by volunteer solicitors and barristers from central London law firms and chambers

CORE VALUES AND OBJECTIVES

The Centre's core values are:

- Putting the needs and aspirations of current and potential clients at the centre of all that it does;
- Providing consistently high and professional standards across its service;
- Promoting access to justice and providing legal advice for the poorest and most disadvantaged;
- Promoting collaborative work, both across the Settlement and with partner organisations;
- Advancing equality, eliminating discrimination, and fostering good relations among all its users;
- Meeting, or exceeding, the expectations of its key stakeholders, service users and partners;
- Aiming for excellence in the outcomes and impact of its services;
- Providing access to training and development in order that all staff may achieve their potential and be motivated and committed to their work and these core values; and
- Maintaining an open, honest, accountable and fair approach in all our communications with all its service users, staff and other stakeholders.

The Centre's strategic objectives are:

- To provide a range of services that delivers its Mission in ways that are relevant now and look to the future;
- To deliver excellent services;
- To maintain an organisational structure and culture which realises the Mission and Core Values,
- To maintain good financial health in order to ensure the sustainable delivery of its Mission and objectives;
- To provide an environment and facilities that support the delivery of excellent services;
- To plan for and provide equipment and technology that support excellent service delivery and effective management; and
- To develop partnerships and alliances with other organisations that will improve and extend its ability to deliver our Mission and objectives.

The Legal Centre is on target to meet both the service and strategic objectives.

The Legal Centre's services are mainly funded through Legal Aid (in housing and debt), the London Borough of Camden, and the Money Advice Service through the Capitalise Partnership for debt advice. Other sources of income in 2014/15 include funding from Trust for London, The Legal Education Trust, The Hampstead Wells and Campden Trust, Farrer & Co. and St Giles, and donations from individuals and from Linklaters LLP and Clifford Chance LLP.

KEY ACTIVITIES AND ACHIEVEMENTS

The Legal Centre's specific achievements for 2014/15 are addressed below:

- Continuing to prevent homelessness, improve people's housing conditions, combat poverty, help people reduce their debt and maximise their income through providing free specialist casework and representation in housing, debt and welfare benefits;
- Helping 3,500 people with their legal issues;
- Continuing to help Camden residents to improve their financial literacy;
- Delivering against contractual funding outputs and outcomes;

THE MARY WARD LEGAL CENTRE
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2015

PRINCIPAL ACTIVITIES AND OBJECTIVES (CONTINUED)

KEY ACTIVITIES AND ACHIEVEMENTS (CONTINUED)

- Successfully managing the process of losing a large amount of legal aid funding following Government cuts to the legal aid scheme;
- Securing a revised contract for funding for our debt advice service from the Money Advice Service, with the new contract running from April 2015;
- Successfully adopting a new customer relationship management system, in addition to its own, in order to meet the requirements of the Money Advice Service contract;
- Securing continued funding from Camden Council to provide a welfare rights service to people in Camden who have disability and/or long term health condition for another year;
- Continuing to develop a public legal education programme on welfare rights to increase the knowledge, skills and ability of highly disadvantaged residents to deal with the impact of welfare reform;
- Maintaining its pro-bono employment advice service enabling it to continue to help more people resolve their employment law issue who cannot access legal aid funding; and
- Continuing to play an active role in the development of the Camden Advice Partnership with advice providers in the borough, including ensuring more effective referral arrangements for Camden residents.

FINANCIAL REVIEW

RESULTS

The results for the year are set out on page 7. There has been a surplus for the year of £34,571 (2014 : surplus of £55,567).

RESERVES

The Legal Centre aims to hold reserves equivalent to 6 months' expenditure so that it could continue to provide a service in the event of unexpected financial crisis. Unrestricted reserves at 31 July 2015 were equivalent to 4.1 months' planned expenditure (68% of target level). This represents an improvement from the 3.0 months at the end of July 2014. The Board is undertaking a full operational review across the Settlement in 2015/16 and will review the appropriate reserves target level and how it will be achieved.

PLANS FOR FUTURE PERIODS

- To develop its capacity to recruit and train volunteers to support and increase its advice services;
- To continue to seek new sources of income and funding to deliver specialist legal advice services including raising unrestricted income through the 1000 cases campaign;
- To continue to develop a public legal education programme in social welfare law (with a focus on welfare rights), as a means to improve access to justice;
- Increase the provision of welfare benefits advice; and
- Maintain the volume of specialist housing and debt advice provided.

Suzanna Jackson
Secretary
15 December 2015

THE MARY WARD LEGAL CENTRE
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the directors confirms that:

- so far as the director is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF THE MARY WARD LEGAL CENTRE

We have audited the financial statements of The Mary Ward Legal Centre for the year ended 31 July 2015 which comprise the statement of financial activities, the balance sheet, principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

The trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the statement of directors' responsibilities set out in the Directors' Report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 July 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

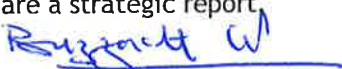
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.


Avnish Savjani, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor

16 December 2015

130 Wood Street
London
EC2V 6DL

THE MARY WARD LEGAL CENTRE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2015

| INCOME AND EXPENDITURE | Notes | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2015 £ | <i>Total Funds</i> 2014 £ |
|---|-------|----------------------------|--------------------------|--------------------------|---------------------------------|
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds | | | | | |
| Interest receivable | | 888 | - | 888 | 369 |
| Voluntary income | 2 | 167,655 | - | 167,655 | 197,633 |
| Incoming resources from charitable activities | | | | | |
| Legal services | 2a | 819,154 | 64,584 | 883,738 | 824,931 |
| TOTAL INCOMING RESOURCES | | <u>987,697</u> | <u>64,584</u> | <u>1,052,281</u> | <u>1,022,933</u> |
| RESOURCES EXPENDED | | | | | |
| Charitable activities: | | | | | |
| Legal services | 3 | 943,876 | 64,584 | 1,008,460 | 958,376 |
| Governance costs | 6 | 9,250 | - | 9,250 | 8,990 |
| TOTAL RESOURCES EXPENDED | | <u>953,126</u> | <u>64,584</u> | <u>1,017,710</u> | <u>967,366</u> |
| NET MOVEMENT IN FUNDS | | <u>34,571</u> | - | <u>34,571</u> | <u>55,567</u> |
| FUNDS AT 1 AUGUST 2014 | | <u>287,185</u> | - | <u>287,185</u> | <u>231,618</u> |
| FUNDS AT 31 JULY 2015 | | <u>321,756</u> | - | <u>321,756</u> | <u>287,185</u> |

The Statement of Financial Activities includes all the recognised gains or losses incurred in the current and preceding year.

The notes on pages 9 to 14 form part of these financial statements.

THE MARY WARD LEGAL CENTRE
BALANCE SHEET
AS AT 31 JULY 2015

| | Notes | 2015 £ | 2014 £ |
|--|--------|----------------|----------------|
| FIXED ASSETS | | | |
| Tangible assets | 10 | - | 546 |
| CURRENT ASSETS | | | |
| Work in progress | 1b | 46,797 | 50,751 |
| Debtors | 11 | 237,468 | 165,773 |
| Cash at bank and in hand | | 361,461 | 351,783 |
| | | <u>645,726</u> | <u>568,307</u> |
| CREDITORS: amounts falling due within one year | 12 | 200,213 | 157,911 |
| NET CURRENT ASSETS | | <u>445,513</u> | <u>410,396</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 445,513 | 410,942 |
| CREDITORS: amounts falling due after more than one year | 13 | 123,757 | 123,757 |
| NET ASSETS | | <u>321,756</u> | <u>287,185</u> |
| UNRESTRICTED FUNDS | | | |
| General fund | | 321,756 | 287,185 |
| | | <u>321,756</u> | <u>287,185</u> |
| RESTRICTED FUNDS | 1g, 14 | - | - |
| TOTAL FUNDS | | <u>321,756</u> | <u>231,618</u> |

The financial statements were approved by the Board on and signed on its behalf by:



Director
15 December 2015

The notes on pages 9 to 14 form part of these financial statements.

THE MARY WARD LEGAL CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2015

1. ACCOUNTING POLICIES

a) Accounting Convention

The financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards, Companies Act 2006 and the Statement of Recommended Practice on Accounting and Reporting by Charities issued by the Charity Commission by March 2005 (SORP 2005).

b) Work In Progress

Legal Centre cases completed but not assessed at the year end are valued at the amount of anticipated receipt from the Legal Aid Agency or opponent, and are shown as work in progress. Cases assessed by the year-end are shown as debtors. Assessed in this context means the costs claim has been accepted by the Court or the Legal Aid Agency. No credit is taken for cases not completed at the year-end.

c) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Furniture, fixtures and office equipment - 20% Straight line

Furniture, fixtures and fittings and office equipment costing £1,000 or more excluding VAT are capitalised. Because of the heavy usage involved and consequent short life, all computer equipment is written off to the income and expenditure account in the period of acquisition.

d) Income

Donations are recognised in the year in which they are received or under the accruals concept. All other income is dealt with under the accruals concept.

e) Resources Expended

All expenses are accounted for on an accruals basis. All expenditure directly relating to the objects of the charity is included under the heading charitable activities.

f) Pensions

The cost of providing pensions for employees is charged to the Statement of Financial Activities in the year in which the contributions are payable. Pension costs represent the amount of contributions paid to the individuals' own schemes. In April 2015 the Centre auto-enrolled its staff using the National Employers Savings Trust (NEST). Staff make a contribution of 2% and the Centre 6%.

g) Restricted Funds

Restricted funds are subject to specific restrictions imposed by the donor (see Note 14).

h) Operating Leases

The rentals payable under operating leases are charged on a straight-line basis over the lease term.

- 2.** Voluntary income includes £75,000 (2014: £75,000) that is estimated to be the value of support received from Linklaters LLP who provided the services of a seconded trainee solicitor for the year and from Clifford Chance LLP who provided two seconded trainee solicitors for the year. The equivalent expenditure of £75,000 (2014: £75,000) has been included in operational staff costs.

2A. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | 2015 | 2014 |
|---------------------|---------|---------|
| | £ | £ |
| Legal services: | | |
| Revenue grants | 91,251 | 51,825 |
| Advice and casework | 792,487 | 773,106 |
| | 883,738 | 824,931 |

THE MARY WARD LEGAL CENTRE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2015

| 3. CHARITABLE ACTIVITIES | 2015 | 2014 |
|---------------------------------|------------------|----------------|
| | £ | £ |
| Legal costs | | |
| Direct costs | 741,996 | 678,381 |
| Support costs | 266,464 | 279,995 |
| | <u>1,008,460</u> | <u>958,376</u> |
| | | |
| 4. DIRECT COSTS | 2015 | 2014 |
| | £ | £ |
| Operational staff costs | 700,989 | 634,868 |
| Other operational costs | 41,007 | 43,513 |
| | <u>741,996</u> | <u>678,381</u> |
| | | |
| 5. SUPPORT COSTS | 2015 | 2014 |
| | £ | £ |
| Staff costs | 116,716 | 142,832 |
| Office costs | 45,765 | 35,742 |
| Premises costs | 103,437 | 100,861 |
| Depreciation | 546 | 547 |
| Other support costs | 0 | 13 |
| | <u>266,464</u> | <u>279,995</u> |
| | | |
| 6. GOVERNANCE COSTS | 2015 | 2014 |
| | £ | £ |
| Auditor's remuneration | | |
| Audit fees - current year | 9,250 | 12,180 |
| Audit fees - prior year | 0 | (3,190) |
| | <u>9,250</u> | <u>8,990</u> |

THE MARY WARD LEGAL CENTRE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2015

| | | |
|---|---------------|---------------|
| 7. NET INCOMING (OUTGOING) RESOURCES FOR THE YEAR | 2015 | 2014 |
| | £ | £ |
| Net incoming(outgoing) resources are stated after charging: | | |
| Depreciation of tangible assets | 546 | 547 |
| Auditor's remuneration | 9,250 | 8,990 |
| Operating lease rentals | 66,840 | 66,840 |
| | <u>66,840</u> | <u>66,840</u> |

No directors received any remuneration or any reimbursement of expenses during this or the previous year.

| | | |
|-----------------------|----------------|----------------|
| 8. STAFF COSTS | 2015 | 2014 |
| | £ | £ |
| Wages and salaries | 743,230 | 707,216 |
| Social security costs | 53,705 | 58,915 |
| Other pension costs | 20,770 | 11,569 |
| | <u>817,705</u> | <u>777,700</u> |

The average weekly number of equivalent full-time employees during the year was:

| | | |
|-------------|-----------|-----------|
| | No | No |
| Operational | 14 | 13 |
| Support | 6 | 7 |
| | <u>6</u> | <u>7</u> |

No employees' remuneration was above £60,000 in the year (2014: none)

9. TAXATION
The company is not liable to Corporation Tax as it is a registered charity.

| | | | |
|-----------------------------------|-------------------------------|---|---------------|
| 10. TANGIBLE FIXED ASSETS | Computer equipment | Furniture, fixtures and Fittings | Total |
| | £ | £ | £ |
| Cost: | | | |
| At 1 August 2014 and 31 July 2015 | 37,792 | 24,408 | 62,200 |
| Depreciation: | | | |
| At 1 August 2014 | 37,792 | 23,862 | 61,654 |
| Charge for year | - | 546 | 546 |
| At 31 July 2015 | <u>37,792</u> | <u>24,408</u> | <u>62,200</u> |
| Net book value: | | | |
| At 31 July 2015 | <u>-</u> | <u>-</u> | <u>-</u> |
| At 31 July 2014 | <u>-</u> | <u>546</u> | <u>546</u> |

THE MARY WARD LEGAL CENTRE
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 JULY 2015

| 11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 2015 | 2014 |
|--|----------------|----------------|
| | £ | £ |
| Trade debtors | 222,755 | 151,852 |
| Other debtors | 5,481 | 5,787 |
| Amounts owed by group companies | - | - |
| Prepayments and accrued income | 9,232 | 8,134 |
| | <u>237,468</u> | <u>165,773</u> |

| 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 2015 | 2014 |
|--|----------------|----------------|
| | £ | £ |
| Taxes and social security costs | 18,063 | 33,601 |
| Accruals and deferred income | 168,680 | 93,395 |
| Other creditors | 8,279 | 5,198 |
| Amounts owed to group companies | 5,191 | 25,717 |
| | <u>200,213</u> | <u>157,911</u> |

| 13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | 2015 | 2014 |
|---|----------------|----------------|
| | £ | £ |
| Mary Ward Settlement | <u>123,757</u> | <u>123,757</u> |

This represents an indefinite, interest free loan from the company's ultimate holding company.

| 14. MOVEMENTS IN FUNDS | Balance 1 August 2014 | Movement in resources Incoming | (Outgoing) | Transfers | Balance 31 July 2015 |
|---|-----------------------------|-----------------------------------|--------------------|-----------|----------------------------|
| | £ | £ | £ | | £ |
| Restricted funds: | | | | | |
| St. Pancras Welfare Trust | - | 214 | (214) | - | - |
| St Giles | - | 6,000 | (6,000) | - | - |
| LB of Camden - Communities in the Know | - | 26,750 | (26,750) | - | - |
| The Legal Education Trust | - | 19,667 | (19,667) | - | - |
| Trust for London | - | 11,953 | (11,953) | - | - |
| Total restricted funds | <u>-</u> | <u>64,584</u> | <u>(64,584)</u> | <u>-</u> | <u>-</u> |
| Unrestricted funds: | | | | | |
| General fund | 287,185 | 987,697 | (953,126) | - | 321,756 |
| Total unrestricted funds | <u>287,185</u> | <u>987,697</u> | <u>(953,126)</u> | <u>-</u> | <u>321,756</u> |
| Total funds | <u>287,185</u> | <u>1,052,281</u> | <u>(1,017,710)</u> | <u>-</u> | <u>321,756</u> |

THE MARY WARD LEGAL CENTRE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2015

14. MOVEMENTS IN FUNDS (CONTINUED)

The St Pancras Welfare Trust was set up in 2014/15 with a small grant from the charity to be used to pay for otherwise unclaimable disbursements.

St Giles fund was set up in 2013/14 from a grant from the charity towards the costs of providing the Centre's welfare benefits and debt legal advice services.

The 'Communities in the Know' fund was set up in 2013/14 from a grant from the London Borough of Camden towards the costs of providing the Centre's welfare benefits and debt legal advice services.

The Legal Education Foundation fund was set up in 2013/14 from a grant from the charity towards the costs of providing the Centre's welfare benefits legal advice services.

The Trust for London fund was set up in 2010/11 from a grant from the Trust towards the costs of providing the Centre's employment legal advice services. With the closure of the Centre's employment advice service the final year of the grant had not been claimed and the fund was closed in July 2013. However, a revised bid was made for the final years funding and this was agreed in order to contribute towards the cost of the Centre's pro bono employment advice clinic.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Fixed assets £ | Current assets £ | Liabilities £ | Total £ |
|------------------|----------------------|------------------------|------------------|----------------|
| General fund | - | 645,726 | (323,970) | 321,756 |
| Restricted funds | - | - | - | - |
| | <u>-</u> | <u>645,726</u> | <u>(323,970)</u> | <u>321,756</u> |

16. CLIENT MONIES

As at 31 July 2015 the Mary Ward Legal Centre held money on behalf of clients in "Client" bank accounts of £183,361 (2014: £167,769).

THE MARY WARD LEGAL CENTRE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2015

17. REVENUE GRANTS RECEIVABLE

During the year the company received £6,000 from St. Giles Charity, all of which has been recognised. This grant has been fully applied to the cost of salaries and associated running costs.

During the year the company received £48,417 from London Borough of Camden, of which all has been recognised. This grant has been fully applied to the cost of salaries and associated running costs, including the provision of financial inclusion advice services to socially and financially excluded Camden residents.

During the year the company received £19,667 from The Legal Education Foundation, all of which has been recognised. This grant has been fully applied to the cost of salaries and associated running costs.

During the year the company received £11,953 from the Trust for London towards the costs of its employment advice, casework and representation service, all of which has been recognised.

During the year the company received £214 from St. Pancras Welfare Trust towards the cost of what would otherwise be unclaimable disbursements, all of which was recognised. 214 of which has been recognised. The remainder, £536, is for activity to be undertaken in 2015/16.

During the year the company received a donation of £5,000 from Farrer & Co Charitable Trust, which has been fully applied to the cost of salaries and associated running costs.

During the year the company received a donation of £40,000 from Linklaters solicitors, which has been fully applied to the cost of salaries and associated running costs.

18. GIFTS IN KIND

In addition to the gifts in kind received detailed in Note 2, a great amount of time, the value of which is impossible to quantify for the purpose of these accounts, is donated by many volunteers throughout the year.

19. LIMITED LIABILITY

The company does not have any share capital and is limited by guarantee. The liability of the member is limited at £1 in the event of the winding up of the company.

20. OWNERSHIP OF COMPANY

The company is owned by the Mary Ward Settlement, a company registered in England and Wales (Company registration number 46188) and a registered charity (Charity registration number 223066). The Mary Ward Settlement is the only member of Mary Ward Legal Centre.

21. FINANCIAL COMMITMENTS

The company has a 15 year operating lease on its property at 10 Great Turnstile, effective until December 2025. The amount payable under the lease (exclusive of rates and service charge) is £66,840 per annum.

THE MARY WARD LEGAL CENTRE
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2015

This page does not form part of the audited financial statements

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2015 £ | <i>Total Funds</i> 2014 £ |
|---|----------------------------|--------------------------|--------------------------|---------------------------------|
| INCOME | | | | |
| Grants | | | | |
| London Borough of Camden Financial Incl. | 16,667 | - | 16,667 | 25,000 |
| London Borough of Camden - Communities In the Know | - | 26,750 | 26,750 | 8,917 |
| London Borough of Camden - Web-site update | 5,000 | - | 5,000 | - |
| St Giles | - | 6,000 | 6,000 | 7,000 |
| St. Andrew's Holborn Charity | - | - | - | 6,700 |
| St Pancras Welfare Trust | - | 214 | 214 | - |
| Farrer & Co Charitable Trust | 5,000 | - | 5,000 | - |
| The Legal Education Foundation | - | 19,667 | 19,667 | 9,333 |
| Trust for London | - | 11,953 | 11,953 | 19,875 |
| | <u>26,667</u> | <u>64,584</u> | <u>91,251</u> | <u>76,825</u> |
| Advice, casework and net disbursements | | | | |
| Legal Services Commission - NfP grant | 52,220 | - | 52,220 | 114,466 |
| Legal Services Commission - Clerkenwell CC | 2,647 | - | 2,647 | 6,963 |
| MAS Capitalise debt project | 319,190 | - | 319,190 | 342,150 |
| LB Camden Specialist Advice Services | 162,000 | - | 162,000 | 162,000 |
| LB Camden Disability Project | 101,552 | - | 101,552 | - |
| Cardinal Hume Centre | 1,200 | - | 1,200 | - |
| Other advice, casework & net disbursements | 153,678 | - | 153,678 | 122,527 |
| | <u>792,487</u> | <u>-</u> | <u>792,487</u> | <u>748,106</u> |
| Other | | | | |
| General donations and fundraising | 52,035 | - | 52,035 | 82,304 |
| Linklaters donations | 40,000 | - | 40,000 | 40,000 |
| Value in kind - Linklaters | 25,000 | - | 25,000 | 25,000 |
| Value in kind - Eversheds | - | - | - | - |
| Value in kind - Clifford Chance | 50,000 | - | 50,000 | 50,000 |
| Clients' contributions | 620 | - | 620 | 329 |
| Training & related income | - | - | - | - |
| Interest on deposit account | 888 | - | 888 | 369 |
| | <u>168,543</u> | <u>-</u> | <u>168,543</u> | <u>198,002</u> |
| TOTAL INCOME | 987,697 | 64,584 | 1,052,281 | 1,022,933 |
| TOTAL EXPENDITURE | 953,126 | 64,584 | 1,017,710 | 967,366 |
| (DEFICIT) SURPLUS | <u>34,571</u> | <u>-</u> | <u>34,571</u> | <u>55,567</u> |

THE MARY WARD LEGAL CENTRE
DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2015

This page does not form part of the audited financial statements

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2015 £ | Total Funds 2014 £ |
|--|----------------------------|--------------------------|--------------------------|--------------------------|
| EXPENDITURE | | | | |
| ADMINISTRATION | | | | |
| Salaries and related contributions | 116,716 | - | 116,716 | 142,832 |
| Recruitment advertising + other costs | 3,480 | - | 3,480 | 1,350 |
| Postage and carriage | 6,604 | - | 6,604 | 7,218 |
| Telephone and fax | 9,736 | - | 9,736 | 7,208 |
| Printing and stationery | 3,170 | - | 3,170 | 2,316 |
| Photocopying | 2,920 | - | 2,920 | 2,222 |
| Audit and accountancy | 9,250 | - | 9,250 | 8,990 |
| Consultancy fees | 50 | - | 50 | - |
| Travelling | 1,186 | - | 1,186 | 939 |
| General office expenses (incl. H&S) | 2,162 | - | 2,162 | 995 |
| Equipment maintenance | 658 | - | 658 | 124 |
| General computer expenses | 15,203 | - | 15,203 | 14,859 |
| PR literature/brochures & fundraising | 244 | - | 244 | 326 |
| Other | 352 | - | 352 | 13 |
| | <u>171,731</u> | <u>-</u> | <u>171,731</u> | <u>189,392</u> |
| ESTABLISHMENT | | | | |
| Rent | 66,840 | - | 66,840 | 66,840 |
| Service charge | 10,436 | - | 10,436 | 10,006 |
| General + water rates | 11,481 | - | 11,481 | 11,032 |
| Electricity & gas | 9,654 | - | 9,654 | 7,872 |
| Cleaning | 4,558 | - | 4,558 | 5,023 |
| Premises maintenance | 469 | - | 469 | 88 |
| | <u>103,438</u> | <u>-</u> | <u>103,438</u> | <u>100,861</u> |
| OPERATIONAL | | | | |
| Salaries and related contributions | 636,405 | 64,584 | 700,989 | 634,868 |
| Irrecoverable disbursements | 1,384 | - | 1,384 | 3,840 |
| Case cost drafting fees | 6,700 | - | 6,700 | 5,229 |
| File storage | 5,636 | - | 5,636 | 5,215 |
| Solicitors practising certificates | 2,212 | - | 2,212 | 2,518 |
| Insurance | 9,820 | - | 9,820 | 12,304 |
| Books + subscriptions | 4,523 | - | 4,523 | 4,900 |
| Volunteers' expenses | 632 | - | 632 | 1,281 |
| Refreshments/meal alls/ other staff exps | 1,105 | - | 1,105 | 1,694 |
| Training costs | 4,895 | - | 4,895 | 4,577 |
| Project related costs | 4,099 | - | 4,099 | - |
| Event-related expenses | - | - | - | 140 |
| | <u>677,411</u> | <u>64,584</u> | <u>741,995</u> | <u>676,566</u> |
| DEPRECIATION | | | | |
| Computers | - | - | - | - |
| Furniture and fixtures | 546 | - | 546 | 547 |
| | <u>546</u> | <u>-</u> | <u>546</u> | <u>547</u> |
| TOTAL EXPENDITURE | <u>953,126</u> | <u>64,584</u> | <u>1,017,710</u> | <u>967,366</u> |